



RANCHERS EXPLORATION AND DEVELOPMENT CORPORATION

Box 6217 / 1776 Montano Road, N.W. / Albuquerque, New Mexico 87197 / Telephone (505) 344-3542

*Pls a copy of letter
Place in file for
Board action during
Nov. R.*

October 26, 1979



Ronald W. Daniels
Coordinator of Mined Land Development
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1588 West North Temple
Salt Lake City, Utah 84116

Dear Mr. Daniels:

Thank you for visiting with us concerning the approval by your board of the reclamation contract. The executed contract is enclosed herewith.

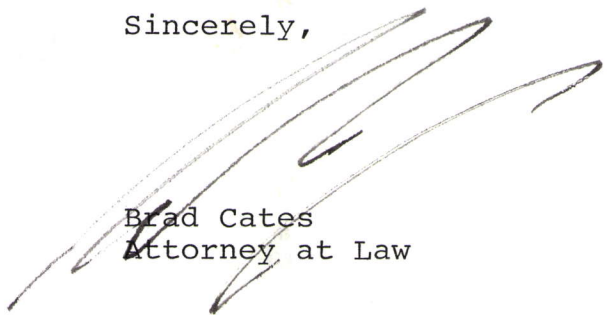
Also, we are in receipt of your letter of October 10, 1979, detailing the final requirements for the approval of our mine reclamation plan.

Within one year Ranchers will establish a small test re-vegetation plot on the site. If, as the result of this test, it does not appear that crested wheat grass will adequately reclaim the area, Ranchers will, on the final reclamation effort, purchase other comparably priced grasses as suggested by your staff and intermix this with crested wheat grass.

Lastly, we will shortly send to you a map detailing the proposed gravel borrow area and the kind of reclamation for this arroyo area as well.

Thank you for your cooperation in this regard. When may we expect that the final permit will be forthcoming?

Sincerely,


Brad Cates
Attorney at Law

BC/nlp
Encl.